

AMENDED IN ASSEMBLY MAY 6, 2003

AMENDED IN ASSEMBLY APRIL 21, 2003

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 1549

Introduced by Assembly Members Frommer, Chan, and Laird
(Coauthor: Assembly Member Pavley)

February 21, 2003

~~An act to add Sections 1348.5 and 1367.27 to~~ *An act to add Section 1348.5 to the Health and Safety Code, relating to health care service plans.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1549, as amended, Frommer. Asthma benefits.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the regulation and licensure of health care service plans by the Department of Managed Health Care ~~and makes a violation of the act's requirements a crime~~. Under the act, a health care service plan contract that covers prescription drug benefits is required to provide coverage for specified medications.

This bill would require the department to convene a workgroup to develop a universal drug and device formulary to treat asthma in children and to adopt a regulation outlining that formulary. ~~The bill would require a health care service plan to include coverage for medications to treat pediatric asthma and for associated training and education.~~

~~Because the bill would specify additional requirements for a health care service plan, the violation of which would be a crime, it would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: ~~yes~~ *no*.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1348.5 is added to the Health and Safety
- 2 Code, to read:
- 3 1348.5. (a) The department shall convene a workgroup to
- 4 develop a universal drug and device formulary to treat asthma in
- 5 children. In developing the formulary, the workgroup shall review
- 6 and consider guidelines established by other jurisdictions for the
- 7 treatment of asthma in children.
- 8 (b) The workgroup shall consist of no more than 10 members,
- 9 including, but not limited to, representatives with experience in the
- 10 treatment of pediatric asthma from all of the following groups:
- 11 (1) Patients and guardians of patients who have received
- 12 asthma treatment.
- 13 ~~(2) Pediatric physicians or clinicians.~~
- 14 (2) *Primary care physicians who work primarily with children.*
- 15 (3) *Pediatric allergists or pulmonologists.*
- 16 (4) Health care service plan representatives.
- 17 ~~(4)~~
- 18 (5) Pharmaceutical industry representatives.
- 19 ~~(5)~~
- 20 (6) Public health officials.
- 21 ~~(6)~~
- 22 (7) Department representatives.
- 23 ~~(7)~~
- 24 (8) State Department of Health Services representatives.



1 (c) *The formulary developed under subdivision (b) shall,*
2 *whenever possible, include multiple drugs and devices with the*
3 *same or similar therapeutic effects.*

4 (d) In order to operate in as cost effective a manner as possible,
5 the workgroup shall be subject to all of the following
6 requirements:

7 (1) It shall meet as few times as necessary to perform its duties.

8 (2) Its members shall not be compensated or receive travel
9 allowances or other reimbursement.

10 ~~(d)~~

11 (e) The department shall adopt a regulation outlining the drug
12 *and device* formulary developed under subdivision (a) and shall
13 periodically review its regulations adopted pursuant to this
14 section.

15 ~~SEC. 2. Section 1367.27 is added to the Health and Safety~~
16 ~~Code, to read:~~

17 ~~1367.27. (a) Each health care service plan, except a~~
18 ~~specialized health care service plan, that is issued, amended,~~
19 ~~delivered, or renewed in this state on or after January 1, 2005, and~~
20 ~~that covers hospital, medical, or surgical expenses shall include~~
21 ~~coverage for medications and devices for the management and~~
22 ~~treatment of pediatric asthma as medically necessary. The~~
23 ~~coverage shall include items that are available without a~~
24 ~~prescription.~~

25 ~~(b) Each plan described in subdivision (a) shall provide~~
26 ~~coverage for asthma outpatient self-management training and~~
27 ~~education necessary to enable an enrollee to properly use the~~
28 ~~medications and devices identified by the department by~~
29 ~~regulation under Section 1348.5 and additional pediatric asthma~~
30 ~~outpatient self-management training and education upon the~~
31 ~~direction or prescription of those services by the enrollee's~~
32 ~~participating physician.~~

33 ~~(c) The pediatric asthma outpatient self-management training~~
34 ~~and education services identified in subdivision (b) shall be~~
35 ~~provided under the supervision of an appropriately licensed or~~
36 ~~registered health care professional as prescribed by a participating~~
37 ~~health care professional legally authorized to prescribe the service.~~
38 ~~If a plan delegates outpatient self-management training to a~~
39 ~~contracting provider, the plan shall require the contracting~~
40 ~~provider to ensure that pediatric asthma outpatient~~

~~1 self-management training and education are provided under the
2 supervision of an appropriately licensed or registered health care
3 professional. These benefits shall include, but not be limited to,
4 instruction that will enable pediatric asthmatic patients and their
5 families to gain an understanding of the disease process and the
6 daily management of asthma in order to avoid frequent
7 hospitalizations and complications.~~

~~8 (d) The coverage required by this section shall be provided
9 under the same general terms and conditions, including
10 copayments and deductibles, applicable to all other benefits
11 provided by the plan.~~

~~12 (e) Each health care service plan shall disclose the benefits
13 under this section in its evidence of coverage and disclosure forms.~~

~~14 (f) A health care service plan may not reduce or eliminate
15 coverage as a result of the requirements of this section.~~

~~16 (g) Nothing in this section shall be construed to deny or restrict
17 in any way the department's authority to ensure plan compliance
18 with this chapter if a plan provides coverage for prescription drugs.~~

~~19 SEC. 3.— No reimbursement is required by this act pursuant to
20 Section 6 of Article XIII B of the California Constitution because
21 the only costs that may be incurred by a local agency or school
22 district will be incurred because this act creates a new crime or
23 infraction, eliminates a crime or infraction, or changes the penalty
24 for a crime or infraction, within the meaning of Section 17556 of
25 the Government Code, or changes the definition of a crime within
26 the meaning of Section 6 of Article XIII B of the California
27 Constitution.~~